(d) whether any shortage is anticipated; and

(e) if so, the steps taken to meet the shortage?

THE MINISTER OF FOOD (SHRI AJIT SINGH): (a) to (e) Sugar season is reckoned from October to September. Accordingly, with the estimated carryover stock of 18.33 lakh tonnes of Indigenous sugar as on 1.10.1994 and the balance of about 8.77 lakh tonnes of sugar earlier imported alongwith the estimated production of 133 lakh tonnes during 1994-95 season, the total availability of levy sugar is expected to be over 54.45 lakh tonnes as against the estimated requirement of 42.70 lakh tonnes for 1994-95 season at the existing level of levy allocations. Thus the availability of sugar is expected to be sufficient to meet the requirements of the Public Distribution System during the season 1994-95.

Subsidy on Exporting of Foodgrains by FCI

5135. SHRI S. AUSTIN:
SHRI V. RAJAN CHELLAPPA:
DR. BAPU KALDATE:

Will the Minister of FOOD be pleased to state:

(a) whether it is a fact that a decision has been taken recently to sell about 20 lakh tonnes of wheat to China at the rate of Rs. 405/- per quintal;

(b) if not, what are the facts in this regard;

(c) whether it is also a faet that selling rate of wheat for export is low as compared to the selling rate of wheat being sold by the Food Corporation of India in the country;

(d) if so, whether it is also a fact that Government will have to give subsidy to the Food Corporation of India due to the export at the said rate; and

(e) if so, what is the likely rate of subsidy?

THE MINISTER OF FOOD (SHRI AJIT SINGH): (a) to (e) No Sir. Government has however decided to release a quantitative ceiling of 25 lakh tonnes for export of non-Durum wheat from the open market without any MEP limit during 1995-96 and the FCI has also been authorised to export/sell for the purpose of export wheat from Public Stocks within the said ceiling of 25 lakh tonnes. The export/sale price for the purpose of export would be decided by the High Level Committee of FCI constituted for the purpose. The sale price of wheat so fixed could be equal to or higher than the domestic open market sale price of wheat.

Requirement of sugar Through PDS

5136. SHRI K. RAHMAN KHAN: Will the Minister of FOOD be pleased to state:

(a) what is the total requirement of Sugar through Public Distribution System (PDS) in the country;

(b) whether the production of sugar in the country is sufficient to meet the demand of sugar through PDS;

(c) whether Government is considering building buffer stock of sugar in case of shortfall of production of sugar in the country; and

(d) whether the shortfall will be met by import of sugar?

THE MINISTER OF FOOD (SHRI AJIT SINGH): (a) The total requirement of Sugar for the Public Distribution System (PDS) is estimated at about 42.70 lakh tonnes during 1994-95 season at the existing levy allocations.

(b) In view of the higher sugar production trends during the current crushing season 1994-95, it is expected that the availability of

sugar will be sufficient to meet the requirements of the Public Distribution System.

(c) A proposal for the creation of a buffer stock of sugar is under consideration of the Government;

(d) Government, with a view to ensure adequate availability of sugar for the Public Distribution System in the event of sugar production not coming up to the expected level, have directed State Trading Corporation Limited (STC) and Mineral and Metals Trading Corporation Limited (MMTC) to enter into forward contracts for import of sugar. In pursuance thereof, they have entered into farward contracts for the import of about 4.05 lakh tonnes of sugar.

Devision of Prices of Sugar

5137. SHRI KRISHNA KUMAR BIRLA: Will the Minister of FOOD be pleased to state:

(a) whether the Indian Sugar Mills Association and the National Federation of Cooperative Sugar Factories Limited have urged the Union Government to revise the prices of levy and freesale sugar in the country; and

(b) if so, the reaction of Government in this regard?

THE MINISTER OF FOOD (SHRI AJIT SINGH): (a) In a joint representation, Indian Sugar Mills Association and National Federation of Cooperative Sugar Factories Ltd. have urged for expeditious announcement of new levy sugar prices for 1994-95 season.

(b) The Government have already announced the ex-factory prices of levy sugar for 1994-95 season.

Hiring Storage Capacity by FCI

5138. SHRI PARMESHWAR KUMAR AGARWALLA: Will the Minister of FOOD be pleased to state:

(a) whether it is a fact that the Food Corporation of India (FCI) hires substantial storage capacities from outside sources;

(b) if so, the details of its own and hired storage capacities during each of the last three years;

(c) reasons for hiring storage capacities from outside parties;

(d) percentage occupancy in the three years in respect of owned and hired storage capacities; and

(e) cost of storage in terms of Rupees per tonne stored grains, separately in FCI owned and hired storage capacities?

THE MINISTER OF FOOD (SHRI AJIT SINGH): (a) Yes, Sir.

(b) and (d) A statement is annexed (*See* below).

(c) (i) The storage capacity is constructed by the Food Corporation of India (FCI) with the budgetary support from the Government of India. Due to overall limited availability of fund, the Corporation has been able to build up a total storage capacity of about 137 lakh tonnes over the years, so far which is only about 50 per cent of its present total storage capacity. Hence, the hiring of additional storage as per requirements, from time to time, is inescapable.

(ii) The overall requirement of storage capacity is linked with peak stock level normally achieved by the Corporation on 1st July every year.

(iii) While the procurement takes place during a limited period of less than two months, it takes 6 to 8 months to despatch surplus stocks to the consuming regions.

(iv) Necessity to maintain supplies to hilly and inaccessible areas.

(v) Capacities created by Government|Private agencies on guaranteed utilisation basis.

(e) The rate per tonne of storage